

M1649/0001 cc: April Lynn

December 11, 2013

DIV. OF OIL, GAS & MINING

Paul Baker Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114

DEC 1 \$ 5013

BECEINED

CERTIFIED MAIL 70121010000112570505

Re: Staker Parson Companies Keigley Quarry Notice of Violation Citation # MN20136003

Dear Mr. Baker:

Staker & Parson Companies would like to take the opportunity to provide the Division of Oil, Gas and Mining (DOGM) with additional information regarding the Notice of Violation (NOV) issued to Keigley Quarry on December 4, 2013.

Per the NOV, Mrs. Abate stated "In August 19, 2003, the Division requested an updated mine plan and maps for purposes of updating the reclamation surety. Maps and the updated surety have been received;".

As stated above the reasoning for providing DOGM with updated information was to update the reclamation surety, which as stated by Mrs. Abate has already occurred. Knowing getting the Keigley surety updated was important; Staker Parson Companies complied and meet the requirement given by DOGM.

A date of December 1, 2013 was agreed upon to have a draft NOI submitted to DOGM. Staker Parson Companies has intended to comply with this date from the onset and has tried to work with DOGM on getting a better formatted NOI. Bryson Hinkins, the individual who is working on the mining plan for Keigley has been tasked with updating and completing several DOGM plans, and had spoken with Mrs. Abate about an extension. Mr. Hinkins talked with Mrs. Abate about writing a letter to notify DOGM of a request to extend the NOI submission to March. Mrs. Abate said not to do it at the time and that they would talk about it when they were going to meet to do an inspection. Please see Mr. Hinkins notes on the conversations he had with Mrs. Abate below with particular attention to the underlined sentences.

November 26, 2013

"I spoke with April Abate with Division of Oil, Gas and Mining (DOGM) on the phone around 1:00 pm. We talked about the Ekins Quarry reclamation site visit and changed the site visit for December 3, 2013. I spoke to her about topsoil from our Gomex location being transported into the quarry and that it was

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being stockpiled and spread around the area for reclamation. I also told her we were going to try and get it seeded before the snow. During the same phone conversation we talked about Keigley Quarry. She asked that while we were in the area if we could look at Keigley too. I told her that would be no problem. I then told her that I realized the deadline for the revised NOI was coming up shortly (December 1, 2013). I explained to her I would not have it completed by then because of a heavy work load and trying to finish up the Beef Hollow NOI, CW Pit NOI and Heber Binggeli NOI. I told her it would be nice if she could get with Leslie Heppler and figure out what is most important because it is hard to get everything completed on time when there is so much to complete. April asked me what a realistic timeline would be to get the Keigley NOI completed and I told her probably in March, 2014. I told her I would get her a letter of extension for the Keigley NOI for some time in March. She told me not to worry about getting her a letter and we would discuss the Keigley NOI when we met for the site visit on December 3, 2013.

December 3, 2013

I called April Abate with Division of Oil, Gas and Mining (DOGM) around 9:15 am. I asked her if we were still going to meet at 10:00 am, but because of bad weather we decided it was not a good idea. Driving conditions were bad and visibility was low and snow on the ground so there wouldn't be much to see on the at the sites anyway. We changed the date to December 5, 2013 at 10:00 am.

December 5, 2013

I met with April Abate with Division of Oil, Gas and Mining (DOGM) at the Ekins Quarry gate around 10:00 am. We drove around the location together, but because of the snow there was not much to see. I showed her the gully where the rip rap had been installed. I then took her to the top of quarry where the topsoil had been stockpiled and spread. Because of the snow we could not see where it had been spread. There was about 3-4 inches of snow. She told me that once we get the topsoil spread out and finished in the spring to let her know and she will then come do her site review. I told her we had hauled in an estimated 1,000-1,500 cubic yards of topsoil so far. I also showed her the shed where the tires had been removed from.

After Ekins we drove over to Keigley. We met in the Foreman's office. She then told me she had done some research on the Keigley NOI history. She explained to me that we were supposed to have a revised NOI completed in August, 2003. Since then she told me we have put it off and not completed the NOI. She then issued a citation for not having the NOI submitted by December 1, 2013. Citation #MN20136003. She told me that it has just been too long and we have been extending the deadline too

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many times that there wasn't anything she could do about it and she thought a citation needed to be issued. We then looked over the maps from IGES and discussed some of the changes that need to be made to the maps. After, I took her on a tour of the quarry. I showed her the blasting supply area, old tailings from Geneva, the topsoil pile, boneyard/scrap area. We talked about drainage and hydrology for the quarry and if we have a SWPP plan. I told her I would look into that. We discussed about meeting in the spring of 2014 and talk more about the water drainages and SWPP plan. I then took her to the old buildings and dust mill and then to the crusher. That concluded the site visit."

It was the assumption of Mr. Hinkins, and I, that an extension was going to be granted based on the tone of the conversations Mrs. Abate had with Mr. Hinkins. As you can see by the date of the NOV (December 4, 2013), Mrs. Abate had no intention of working out an acceptable submission date. She issued the NOV one day prior to meeting with Mr. Hinkins (December 5, 2013), where Mr. Hinkins was under the impression he would meet with Mrs. Abate and work out an acceptable submission date. Mr. Hinkins has been completely forthcoming in working with Mrs. Abate and has tried to foster an acceptable working relationship with DOGM and specifically with Mrs. Abate. Again, the NOV stated the purpose of submission of information was to update the surety, which has been done.

It should also be noted the time frame Mr. Hinkins was going to request to turn in the NOI was March of 2014, the same time frame Mrs. Abate gave to receive the NOI given in the NOV. All of the time and effort placed on addressing this NOV could have been eliminated if the extension was simply granted to March of 2014. I believe this NOV has been issued erroneously and without merit.

In the future, all conversations with Mrs. Abate will be done through letters and email. I would like to encourage any conversations Mrs. Abate has with Staker Parson Companies to be in writing, and not relying on verbal communication which can be misconstrued. Please have Mrs. Abate copy me on all correspondence she has with Staker Parson Companies.

Thank you for this opportunity to present our side of the issue, and I hope that is has bearing on your decision toward a proposed assessment. Please contact me with any questions you may have.

Sincerely,

Staker & Parson Companies

Michael Dalley

Mountain West Division Sustainability Director

CC: Lynn Kunzler-Division of Oil, Gas and Mining

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